



Land of the Wurundjeri people of the Kulin Nation
Level 17, 2 Lonsdale Street
Melbourne Vic 3000

GPO Box 3131
Canberra ACT 2601
Tel 03 9290 1800
www.accc.gov.au

Our ref: PRJ1004165
Contact officer: Nick O'Kane

5 September 2025

Athena Wicks
Productivity Commission

Dear Ms Wicks

ACCC submission in response to the Productivity Commission's public consultation on its National Competition Policy analysis 2025 - interim report

The Australian Competition and Consumer Commission (ACCC) welcomes the opportunity to respond to the Productivity Commission's (PC) latest consultation regarding its National Competition Policy analysis 2025 - interim report.

We agree that harmonising Australian mandatory standards with international or overseas standards, and domestically across jurisdictions, can benefit consumers and businesses in a number of ways. In particular, harmonisation lowers businesses' compliance costs and confusion with the regulatory framework. It also provides consumers with lower costs, a higher degree of product choice, and safer products which reflect overseas and Australian best practice.

To support this goal, the ACCC is working to update a number of mandatory safety standards, to ensure they are aligned with appropriate Australian, international and overseas standards, as they exist from time-to-time. These updates were made possible through recent amendments to the Australian Consumer Law (ACL).

We also consider that similar benefits to business and consumers could result from harmonisation of electrical safety laws, including electrical safety standards, across Australia. The National Electrical Safety Taskforce conducted a review in 2024 to consider how this may best be done. The recommendations of the Taskforce, which were adopted at the Council on Federal Financial Relations (CFFR) in November 2024, are ready to implement. This will ensure that Australia's electrical safety standards are fit for purpose, efficient, and effective, in responding to emerging safety risks posed by new technologies, including products containing lithium-ion batteries.

(a) ACCC's work in improving mandatory standards in relation to product safety

Mandatory standards are a key part of Australia's product safety framework as they make particular safety or information features compulsory for the supply of certain products in Australia. These mandatory standards are made and amended by the responsible Commonwealth Minister, based on recommendations made by the ACCC, and are distinct from standards that may be mandated in state and territory legislation.

Mandatory standards often reference voluntary standards, or parts of these voluntary standards, from Australia or overseas (including those developed by international standards-setting organisations). This means that some or all of the requirements of a referenced voluntary standard become part of the mandatory standard.

In late 2024, the ACL was amended to improve mandatory standards by, among other changes, allowing mandatory standards to reference voluntary Australian, overseas or international standards as they exist from time-to-time (rather than only as they existed when the mandatory standard was made or amended).

In July 2025, the ACCC commenced a program to update 15 mandatory standards over the next three years to add compliance options for suppliers (in the form of additional referenced voluntary standards) and to give effect to benefits made possible by these ACL changes. The first mandatory standards to be reviewed focus on products for infants and young children and include baby bath aids, child restraints for use in motor vehicles, and toys containing lead and other elements. The ACCC will undertake public consultation on proposed amendments before making a recommendation on updates to the mandatory standard, to the Minister.

This work program aligns with some of the priority areas for review recommended in the PC's interim report, namely, seeking to align mandatory standards with international and overseas standards, and enabling compliance with up-to-date versions of voluntary standards where appropriate.¹

We agree with the importance of making compliance with mandatory standards simple for businesses as highlighted in the PC's report and consider the ACCC's work in updating mandatory product safety standards will assist in achieving this goal. This will occur by updating mandatory standards to include references to a greater variety of voluntary Australian and overseas standards where appropriate. Businesses will then have greater choice as to how to comply with the mandatory standard and which voluntary standards they will need to access to do so. This may assist in lowering compliance costs.

(b) Harmonising household electrical safety laws within Australia

The PC interim report notes that there are a number of potential benefits that arise from harmonisation of standards, whether it be with international and overseas standards or across Australia. Many of these benefits can also result from the harmonisation of laws between Australian jurisdictions. Given this, we consider that a further priority reform area for governments, which could help reduce regulatory burden and improve safety outcomes, would be to work towards improved national consistency in relation to household electrical consumer products.

Currently, Australia's existing system for the safety of household electrical consumer products is primarily made up of different state and territory laws administered and enforced

¹ Productivity Commission, National Competition Policy analysis 2025 – Interim report, July 2025, p. 8.

by the electrical safety regulators in each jurisdiction (in most, but not all jurisdictions, there is a different regulator for electrical safety and general product safety). This can lead to inconsistencies and regulatory gaps which impede the system's national operation and ability to respond to emerging safety risks posed by new technologies.

In response to these rising issues, treasurers across Australia at the CFFR agreed to a review of the national, state and territory electrical safety frameworks for household electrical consumer products. The review was conducted through a partnership between the Australian Government Department of Finance and the ACCC (the National Electrical Safety Taskforce) in consultation with all states and territories, concluding in July 2024. The review made nine recommendations to better protect consumers now and into the future, as well as enhance harmonisation, increase regulatory efficiency and reduce compliance costs for industry. These included:

- an overarching recommendation for Australia, state and territory governments to cooperate to harmonise and consistently implement household electrical consumer products regulation
- a cross-government working group be established to enhance Australian representation and influence at international standards setting committees to increase suitability of international standards for adoption as Australian standards
- the development of a nationally agreed pathway for market-wide recognition of overseas standards that provide an appropriate level of safety for household electrical consumer products.

The National Electrical Safety Taskforce also recommended changes to state and territory electrical safety legislation to enable risk-based regulation of extra-low voltage electrical products, which include those containing lithium-ion batteries, which should lead to greater harmonisation and consistency across jurisdictions. We consider that implementing such a recommendation is particularly important due to the growing concern with the electrical safety of products containing lithium-ion batteries.

In November 2024, CFFR agreed that the Australian and state and territory governments will cooperate to harmonise and consistently implement the regulation of household electrical consumer products.

We consider that action to implement the recommendations of the National Electrical Safety Taskforce, which have already been agreed to by state and territory governments, is a clear way for governments to achieve similar benefits to those the PC has outlined in its interim report.

In particular, actioning these recommendations to develop a consistent regulatory approach across states and territories would result in better adoption of international standards. As the PC report notes, stakeholders have stated that 'the major barrier facing Australian business when it comes to standards is not alignment with international standards, but interstate alignment'.² Similarly the ACCC considers that harmonisation across Australian jurisdictions is important for realising the full benefits of any increased alignment with overseas standards.

² Productivity Commission, National Competition Policy analysis 2025 – Interim report, July 2025, p. 9.

Further information

If you have any questions regarding this submission, please contact Nick O’Kane

Yours sincerely,

Gina Cass-Gottlieb
Chair